

**MINUTES OF THE
JOINT PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE
MONDAY, JANUARY 24, 2005, 2:00 P.M.
Room W135, West Office Building, State Capitol Complex**

Members Present: Sen. Howard Stephenson, Co-Chair
Rep. Gordon E. Snow, Co-Chair
Sen. Karen Hale
Rep. J. Stuart Adams
Rep. Ron Bigelow
Rep. Duane E. Bourdeaux
Rep. LaVar Christensen
Rep. Tim M. Cosgrove
Rep. John Dougall
Rep. James A. Ferrin
Rep. Julie Fisher
Rep. Karen W. Morgan

Members Excused: Sen. Beverly Evans
Pres. John Valentine

Members Absent: Rep. Stephen H. Urquhart

Staff Present: R. Michael Kjar, Legislative Fiscal Analyst
Ben Leishman, Legislative Fiscal Analyst
Cherie Schmidt, Secretary

Public Speakers Present: Gilbert Grosvenor, Chairman of the Board, National Geographic Society
Norma Jean Remington, Curriculum Specialist
Peter Christie, Ballet West
Carol Goodson, USOE
Joan Patterson, USOE Educator Licensing
Patrick Ogden, Associate Superintendent, USOE
Rep. Shurtliff, H.B. 169, Appropriation for School Districts Impacted by Fee Waivers
Pat Rusk, Utah Education Association

A list of visitors and a copy of handouts are filed with the committee minutes.

Committee Co-Chair Stephenson called the meeting to order at 2:10 p.m.

1. National Geographic Education Foundation - Gilbert Grosvenor, Chairman of the Board of the National Geographic Society, addressed the Committee concerning a permanent endowment in the State of Utah for K-12 education. The budget request from the Utah State Office of Education includes \$300,000. He urged the members of the Committee and the Legislature of Utah to preserve this amount in the budget of the department so that the Utah Geography Education Fund can be established this year. Mr. Grosvenor stated that the National Geographic Society is prepared to match dollar for dollar the entire appropriation for this purpose. In addition, the Society will manage and invest the corpus of the Fund without charge ensuring that all the earnings will be permanently dedicated to geography education in Utah. The endowment would also guarantee continuity of quality teachers. This program would also be compatible with core curriculums.

Norma Jean Remington, Coordinator for the Utah Geographic Alliance, spoke on maintaining the quality of geography education in the core curriculum. Mr. Grosvenor stated that if the Committee appropriates \$300,000 to the National Geographic Education Foundation, that amount will be matched. With this appropriation as the lead contribution for Utah, Mr. Grosvenor believes that the Society can complete the endowment to the full \$1 million with private contributions.

2. POPS Presentation - Peter Christe, Director of Educational Programs for Ballet West, addressed the Committee. A request was made for a restoration of funds to the 2001-2002 level. A presentation was given by some of the students and teachers from the POPS Program. This presentation included dance and a short violin musical number performed by Jerry Masterson, Concert Master of the Utah Symphony.

Carol Goodson, State Fine Arts Specialist USOE, presented a background of the POPS Program and the services available through this program. Ms. Goodson stated that the State Board has accepted Living Planet as a candidate for becoming a POPS organization within the Fine Arts and Sciences Outreach Program. Law requires new money to make this possible. The State Board of Education is requesting \$80,000 in new ongoing funding for distribution.

3. Fine Arts & Sciences Budget - Ben Leishman, Legislative Fiscal Analyst, discussed the Budget Brief Fine Arts and Sciences found in Tab 13 of the *Budget Analysis*. The Fine Arts and Sciences program enables Utah's professional art and science organizations to provide their expertise and resources in the teaching of the state's fine art and science curricula. Professional organizations support and enhance the state core curriculum by providing educational services, such as, demonstrations, performances, presentations, and activities in the public schools. Mr. Leishman stated that the State Board of Education has accepted Living Planet into the POPS Outreach Program. This is the result of Legislative

intent language that was passed two years ago recommending that Living Planet and Arts, Inc. transfer to the POPS Program. Mr. Leishman recommended that \$80,000 be appropriated to the POPS Program for Living Planet. The table detailing the budget for Fine Arts and Sciences was also discussed and reviewed. According to the table, schools receive services through three programs, namely, the Professional Outreach Program in the Schools commonly referred to POPS, a Request for Proposal (RFP) program, and a Subsidy Program. Mr. Leishman's recommendation is for a continuation of the base budget which is \$2,991,500. He also recommended that the Committee prioritize the \$80,000 for Living Planet.

- 4 Utah State Office of Education - Ben Leishman, Legislative Fiscal Analyst, discussed the Budget Brief Utah State Office of Education found in Tab 9 in the *Budget Analysis*. The State Office of Education (USOE) functions as support staff to the State Board of Education and the State Superintendent of Public Instruction. The USOE provides information and direction relating to the policies, procedures, and programs of Utah's public education system. The appropriations in the brief include a one-time \$300,000 appropriation to the National Geographic Endowment.

The Issue Brief Educator Licensing Fees was reviewed. This brief addresses statutory changes and intent language passed during the 2004 General Session. In addition, an Educator Licensing Fee Plan is provided for Legislative approval. A Schedule of Fees handout was given to the Committee members. Mr. Leishman's recommendation is to adopt the fee schedule found in this handout. The Issue Brief, which contains a version of this schedule, will be updated. Further, the Analyst recommends that the Legislature reduce the ongoing Uniform School Fund appropriation to the Utah State Office of Education--Law, Legislation, and Education Services Division by \$416,000. Mr. Leishman also recommends that the Legislature appropriate \$416,000 in one-time Uniform School Fund revenue to replace the ongoing revenue. This will enable the USOE to operate the Educator Licensing section entirely from fee revenue beginning in FY 2007.

Joan Patterson, USOE Educator Licensing, addressed the Committee concerning educator licensing fees. She discussed how the Licensing Department functions and what is required to renew a teacher license. Co-Chair Snow raised a question concerning the differences in revenue. Patrick Ogden, Associate Superintendent, USOE, explained the discrepancies.

Mr. Leishman continued with the discussion on the Utah State Office of Education. Last year, \$1.4 million was appropriated to implement the creation of H.B.115 (Carson-Smith Special Needs Scholarships). The money appropriated for this bill was contained in another bill which was vetoed by the Governor. The funding was not vetoed.

Subsequently, there is \$1.4 million in general fund revenue in the State Office of Education that is not being used. Mr. Leishman recommends that the FY 2005 General Fund Appropriation to USOE be reduced by \$1.4 million.

Mr. Leishman also discussed the Issue Brief School LAND Trust Program found in Tab 6 of the *Budget Analysis*. This program provides revenue direct to individual schools. This brief provides information on budgetary impacts associated with changing the revenue source of the School LAND Trust Program from the Uniform School Fund to the Uniform School Fund Restricted - Interest and Dividends Account. A transfer of \$80,000 was made from the Uniform School Fund to the Uniform School Fund Restricted.

The Issue Brief Public Education Agencies Federal Funds was reviewed. During the 2004 General Session, the Legislature amended the Budgetary Procedures Act directing appropriation's subcommittees to review certain federal funds received by state agencies. An attached spreadsheet to this brief details federal funds received by public education agencies, namely; Utah State Office of Education, Utah State Office of Rehabilitation, and the Child Nutrition Program. Grants total \$323,823,978.

Contained in the Budget Brief USOE on page iv is a Budget Detail Table. Mr. Leishman recommends that the FY 2006 budget for USOE be \$213,776,500, and the table details this expenditure.

Mr. Leishman also reviewed the Budget Brief USOE Internal Service Fund and Indirect Cost Pool. The State Office of Education operates two Internal Service Fund (ISF) programs. The State Board of Education ISF budget supports the Board's print shop and mailroom. The Office of the Superintendent - Indirect Cost Pool funds those programs and individuals who administer the State Office of Education. It supports administrative, accounting, budgeting, purchasing, and government liaison functions of the USOE. Recommendations include approval of FY 2005 rates for the ISF and the FY 2005 rates plus 2 percent for the Indirect Cost Pool.

5. Bills - H.B. 169 - Appropriation for School Districts Impacted by Fee Waivers - Co-Chair Stephenson stated that there is now a process in place for secondary schools to administer fees if they so choose. Rep. Shurtliff addressed the Committee and presented information on H.B. 169 dealing with fee waivers. Committee members discussed issues related to this bill.
6. Approval of Minutes -

MOTION: Sen. Hale moved to approve minutes of the January 19, 2005 meeting and the January 20, 2005 meeting.

The motion passed unanimously with Rep. Bigelow absent at the time of voting.

Pat Rusk of the Utah Education Association gave public comment on the fee schedule. She spoke in favor of minimizing licensing fees for teachers.

7. Adjourn -

MOTION: Rep. Adams moved to adjourn at 3:42 p.m.

Minutes were reported by Cherie Schmidt, Secretary

Sen. Howard Stephenson, Committee Co-Chair

Rep. Gordon Snow, Committee Co-Chair